GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2014
ANSWERED ON:12.12.2008
WRITTEN OFF LOANS OF INDUSTRIES
Rao Shri Errabelli Dayakar

Will the Minister of FINANCE be pleased to state:

(a) the details of written off loans by banks relating to industries during the last three years and the current year, bank-wise; and

(b) the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b); The banks write off amounts in non-performing asset (NPA) accounts in accordance with their board approved policies and Reserve Bank of India (RBI) guidelines, either as part of compromise settlement with the borrowers or where the debt has been classified as a `loss` asset. The Management Information System of RBI does not generate data in the desired manner.However, the bank group-wise details of amount of write-off including compromise by the scheduled commercial banks during the last three years are as under:

(Amount Rs. in crore)

Bank Group	31.03.2006	31.03.2007	31.03.2008
Public Sector banks	8,833	9,423	8,021
New private sector banks	1,409	1,232	1,577
Old private sector banks	544	618	724
Forein banks	905	590	1,339
Total	11,691	11,863	11,661

Further,even in technically written off accounts, where there seems to be any scope of recovering some amount,the banks continue with their recovery efforts.